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D/TO: DCI

D/DOC/DATE: 820920 P/REC/DATE: 820921

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D/SUBJECT: CONSUMER DISSATIFICATION WITH INTELLIGENCE

D/CPYSER: 001 002 003 004 005 006

D/KEYWORDS: PFIAB INTELLIGENCE

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D/UPDATE: 820922 D/ORIGINATOR: PFIAB

D/O/OFFICE: ANNE ARMSTRONG

D/ACTION: DDI
D/ACT/DATE: 821004
COMPLETED 37469.000

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PFIAB/NSC Review Completed.

Answered by DD I 8068-82

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Remarks: Please coordinate with C/NIC and prepare response for DCI's signature. (I have acknow-ledged receipt to Col. Wood who will inform Anne Armstrong that DCI will be replying on his return.)

Executive Secretary 22 September 1982

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THE WHITE HOUSE

WASHINGTON

PRESIDENT'S FOREIGN INTELLIGENCE ADVISORY BOARD September 20, 1982

Dear Bill:

In response to your letter to me of July 29, and our subsequent brief conversation on September 8, I thoroughly understand your assertion that you need specifics in order to better address the problem of consumer dissatisfaction with intelligence. However, the interviews and the seminar were conducted under the ground rules of anonymity for those concerned to insure their complete frankness. I think that my pledge of anonymity can be preserved and at the same time your need for specificity can be met by the enclosed transcript of their comments and precise paraphrases without assigning them to their sources (Attachment 1).

I also enclose a list of those interviewed and of those who participated in the seminar in the office. The same lists were contained in the semi-annual report to the President (Attachment 2).

I would like to reiterate that Ambassador Weiss in every case was accompanied by Fred Demech of the PFIAB Staff and that Captain Demech concurs completely in the accuracy of the transcripts.

Let me reiterate that both in the semi-annual report and in Leo's and my meeting with the President, we strongly emphasized two points: first, in particular, regarding the consumer/producer project that we concluded that the consumers were much at fault in not relaying their needs and dissatisfaction or (indeed their satisfaction) with the product to the producers. Secondly, we emphasized that in general we were most pleased with the tremendous progress that has been made under your leader—ship in strengthening our intelligence capability almost across the Board.

With best regards.

Sincerely,

Anne Armstrong Chairman

Auce

The Honorable William J. Casey Director of Central Intelligence Central Intelligence Agency Washington, D. C. 20505

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Enclosures: a/s

REGRADED UNCLASSIFIED WHEN SEPARATED FROM CLASSIFIED ENCLOSURES

CODEWORD MATERIAL APPENDED

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This commentary is based on interviews with the following senior officials*:

Each of the above individuals were provided with an advance outline of areas which would be discussed. The discussions were not, however, confined to the outline. Our purpose was to determine the perspective of the policymakers, the consumers of intelligence,

and.

^{*} In addition to those listed as having been interviewed, have had a number of private conversations with other officials, e.g.,

as to the strengths and weaknesses of the product they receive. these sorts of issues during our dis-

cussions:

- -- How useful is the intelligence product you receive?
- -- If useful, in what ways, e.g., support during crises or for longer term planning or both?
- -- How could the product be improved, e.g., provision of more diverse view points?
- -- How much "feed back" do you provide to the I.C., i.e., do you provide formal guidance, or have frequent inter-
- -- What is your assessment of the expertise within the I.C., are these highly capable, experienced, well trained
- -- How important is insight into foreign leadership intentions and motivations and do you obtain such insights?

to the responsibility of the person were meeting with and frequently narrower and more specific subjects were discussed. on all the interviews. accompanied.

1. Availability of Intelligence to Policymakers. officials were convinced they were not seeing relevant intelligence which impacted on their responsibilities. In one had been denied

specific instance, access to certain sensitive intelligence related to the In another, indicated that doesn't get all of the intelligence on economic and technical issues nor does see v is that codeword intelligence is hand-carried to the official's office and it must be read while the courier waits. [Comment: evident that anyone on the staff of these officials has taken the time to determine exactly what intelligence is available from the entire Community which might be of use to their bosses.] thought that the economic intelligence provided to him in the past (and he underlined in the past) was rather good. noted, however, had recently reorganized and divided up the functions of its would now be receiving. He made clear that it might have made sense for to discuss its reorganization plans with the con-sumers in advancesumers in advance. is receiving on intelligence

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the Community response to providing timely intelligence in the far more existing crises situation was excellent. as a whole (and see below attitudes on I.C. inputs to long-range planning). equivocal with regard to

2. Utility of Intelligence in Satisfying Policymaker's expressed disappointment with the content of the intelligence. the emphasis was on current intelligence without much historical perspective and with very little emphasis on exploitable material was so large that it was rather undifferentiated. undifferentiated flow of material of not much use to the harassed policymaker and a general distain of intelligence as relevant to long intelligence was not a major element in providing said that in to think through major policy options. found the Intelligence Community product of well briefed on little use. Exceptions existed, e.g., capitals before his stressed the importance of relating economic what to expect in intelligence to political intelligence which is not the norm. cited as an example that might be on the edge of a major negotiation with a given foreign government without being aware that the ministers with whom ! would be negotiating might be on their way out politically and therefore not really be in a position getting the Intelligence Community to focus on special matters such as the Soviet response to the U.S. strategic modernization program. Soviets view our major initiative in this area. If, e.g., programs were troubling the Soviets then they were enhancing deterrence which was their pirncipal purpose. But intelligence Community looks at possible alternatives or speculates, the tendency is to come up with a consensus best estimate. had a comparable observation. Though attempts to provide in-dependent views, bureaucratic pressures and time pressures limited the degree to which competing assessment could be offered. commented that there was a reluctance on the part of the Intelligence Community to offer alternative hypothesis. As a result, were perhaps afraid to go out on a limb. tended to err on the side of caution saying the obvious and in short they were rather lacking in initiative. that the utility of intelligence varied Widely. Some provided immediate inputs, some was more in the category of "expanding knowledge," and a good deal was rather useless. repeated theme that the material was undifferentiated and thus anything longer than two pages probably would not get read. While was satisfied with the crises support on thought intelligence was inadequate for the non-crises longer range problems.

the vike syrical 3. Technical Capabilities vs. Human Intelligence (HUMINT). our technical capabilities were outstanding while HUMINT was less then desired. said that there was no question in the ability of the Intelligence Community to come up with insights into intentions and motivations of foreign officials and societies, both adversary and friendly, was much less prowould like it to be. noted that it was undoubtedly easier to develop technical means of collection than it was HUMINT, but the implication was clear -a great deal from a better HUMINT insight. The inadequacy of HUMINT is such that National Intelligence Estimates are not very agreed that the Intelligence Community was uniformly short on reaction was

intelligence is coming intelligence relating. to motivation.

from technical collection - SIGINT. With the rest of that isn't the case and only HUMINT can do the

job. needs to support his policymaking functions. rather was concerned about "big buck" collection systems. harsh in his view of NRO (protect source). He believed that there were inadequate checks and balances. The tendency was to design new systems which competed with other collection systems, costs tended to escalate enormously and the tendency was to "rob Peter to pay Paul. " Some systems (Thermal IR) were "jammed down the throat" of the Intelligence Community simply by virtue of the fact of strong personnel in the NRO and despite the fact that there was little support for such programs. In short, these requirements were laid on by technical people in

guidance tended to support an increase in HUMINT, but this own the program office in the NRO." was not reflected in the budget. He also believed that MAAGS

could do more in foreign countries

has gone to the Hill for a modest independent HUMINT program of its own which is not being well received on the Hill. [Comment: learned from other sources that the Hill is asking why collection is not tailored to said that what he sees of HUMINT is good but its own HUMINT collection.

that a great deal more is required and that attention should be addressed to providing a clearer assessment of the source of HUMINT collection (i.e., he finds it difficult to know how good the source is and thus how reliable the information is). there was an over-fascination with political intelligence personally thought that a good deal of it was dubious. for this was that the Intelligence Community "can't get into the not this was that the interrigence Community can't get into the heads" of foreign officials and this in turn limits the utility of political intelligence. [Comment: It is perfectly clear that all policymakers desire and could use better insight into intention collection will occasionally provide such insights, HUMINT is and motivations of our principal adversaries. potentially a fruitful and punderutilized source.

investigate the potential impact of a marginal diversion of resources from technical intelligence to HUMINT. Would \$100M tess of technical intelligence, if devoted to HUMINT, make a substantial difference? How long might it take to get a pay-off? We may well determine that the problem is only partially related to funding constraints. If so, we ought to see whether other problems associated with an inadequate HUMINT collection can be overcome. This is, of course, a matter more appropriate for to consider. However, should be made aware of the unanimous feeling of dissatisfaction among policymakers with the adequacy of HUMINT.]

4. Provision of Guidance, Tasking and Feedback to the Intelliadequacy of HUMINT.] Despite the fact that virtually no one was entirely satisfied with the intelligence product, it was hard to find any policymaking official who did something about it. Within the it appeared that everyone was too busy (or too indifferent) to take the time to tell the Intelligence Community what was required. (In some instances, it appeared that not much effort was made to determine if some form of intelligence on a specific subject existed.) It was evident that almost no one in any agency understood the mechanism for stating requirements or Intelligence Community closer together in satisfying requirements how priorities are determined. devise a plan which will bring the and establishing priorities, but this is a modest effort, not likely to affect the general inadequacy of feedback and guidance. the question as to who in sees himself as having the responsibility to provide guidance and direction to the could not be answered. None of those to whom we talked, including saw this as his responsibility. stated that tasking "came out of the policy side of interface within the Intelligence Community and as having a responsibility for commenting on key intelligence questions. When his function to me in that fashion, he was surprised. was left with the impression that once again, the precise procedure which was followed in developing or securing

5. Coordinating Within the Intelligence Community.

5. Coordinating Within the Intelligence Community.

confided that was useful in one major sense — namely as a further, he thought for receiving material from and in each instance in had one—half of the puite blunt about this matter, if the quite blunt about this matter, if the point it could do a much better job, period.

The provided the period in high regard, he though the in high regard, he thought in high regard, he thought in high regard, they served largely to rewrite and repackage material otherwise available and therefore really represented

He said that the analysis that would profit in most part bad. At a minimum, he believes that depends for intelligence on Central America and almost from having fewer number of better people. said, however, that Nevertheless, thought on the whole they tended to be cautious. almost solely on a very close working relationship with liked to have an impact on policy and as a result, sometimes became too rigid in the conclusions they advanced. [Comment: never uses From these interviews, it was difficult to determine if there is comment that any coordination on intelligence product before it reaches the policymakers. Within

6. Expertise Within the Intelligence Community. ficials voiced serious concern on this subject. Specifically, esteem.] thought the capability for analysis was poor because expertise was lacking. : conceded that in some countries like the Soviet Union and China, it was difficult to get good data. But stated that "people don't have a model in mind" and therefore they do not know how to present data which is available. One of the more difficult problems was that the Intelligence Community lacked people with a long and deep background in a given country aside from that, or in a specific area. The system does not allow a person to spend his/her entire career as a Russian or Yugoslavian analyst said that we needed to have programs for analysts who could specialize on a country, perhaps spending some time living in that country and also or as a financial or economic expert. completing work toward an advanced academic degree. in which he compared information from first class foreign In general, mentioned that some years ago, journalists and that from the Intelligence Community. the journalists were superior. Among the conclusions which advanced were: the issue is not collection; analysis is too casual and superficial; it is partly a matter of additional change the career structure in the Intelligence Community to offer long-term advancement within a rather narrow area of specialty. mentioned that our intelligence inadequacies tended in some measure to be related to a language problem and China and Japan where he believed language capabilities were inadealso has serious questions about our language ability in various areas, commenting in particular on the Arab world where believes the evidence suggests that our capabilities are superficial. wondered, e.g.; whether our people read local newspapers and other relatively available sources of useful informaalso cited the gradual disappearance of Soviet experts, estimating that our insight into Soviet behavior was better 15 years ago than it is today even though our access was certainly no noted that political staffs in embassies were too small and that he was forced increasingly to also is not impressed with our political better then, if not worse. In some cases, we could get more out of a analysis capabilities. foreign newspaper.

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"still has a long way to go," that there simply are not enough attaches available nor are there enough competent analysts available. [Comment: The lack of trained analysts and language qualified experts is a problem have previously encountered.

participated in for ____ found that their Saudi Arabian expertise was close to nil, despite the obvious importance of that country. Similarly the Soviet expertise of the

represented in the past by the to 🖸 has dried up. Our officer, has no background in Soviet affairs and does not speak Russian. 1

7. Distribution of Assets Within the Intelligence Community. Most officials thought it was probably appropriate that intelligence priorities focus primarily on the Soviet Union, Warsaw Pact countries However, they were universal in their opinion that this meant that Third World coverage would be less adequate and that from time to time, we would miss an important development.

thought too much effort was devoted to arms control verification such as SALT compliance, thus wasting resources which could argued not that SALT compliance but that the level of effort and the level of detail were not justified. gained little in the way of insight as to the adequacy of functional (as contrasted to geographic) distribution of the intelligence effort.

8. Adequacy of Long-Range Intelligence vs. Adequacy of Support to Crisis Situations. The great majority of these policymakers were convinced that the intelligence which they see tends to support only near-term and crisis situations. While satisfied with the crises support on Central America, \thought intelligence was inadequate for the non-crises longer range problems. worries as to the adequacy of ability to look to the future.

system of distributing codeword stated Because of the material (a courier waits while it is read) that there is a tendency to focus on the more immediate problem, i.e., current intelligence and largely ignore longer documents dealing with more complex and future oriented material. thought that there

said virtually the same thing. should be some sort of an institutional structure which causes the policymaker to draw back from current day-to-day pressures and focus on the longer term intelligence and policy-related issues. said that today's intelligence is excellent as an early warning system, especially during a time of crisis, but not in terms of did not rely very much on intelligence contributions in dealing with long-range planning although there were some important exceptions. regard, cited the Intelligence Community's study on Soviet energy efforts on the Yamal pipeline. that by and large the Intelligence Community product was of little

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thought that in a crisis situation, the Intelligence Community generally well serves the substantive people. cited the recent Lebanon/ received good insights. Israeli crisis during which

was, however, not very optimistic as to the contribution of intelligence in long-range planning. As to NIE's, and because of a lack of good insight into motivations and intentions of foreign leaders, they are not considered a terribly useful instrument. [Comment: There seemed to be unanimity on the utility of short-range crises intelligence support and a general disdain for the value of intelligence for longer range policy planning. This seems to be a very serious indictment.]

Comments on Specific Intelligence Community Products

NIE 11-3/8. At a separate luncheon discussion with asked if had read the latest Intelligence Community product had not yet had a chance to read it. expressed some considerable dissatisfaction with that document. on Soviet strategic forces.

consistently took footnotes which were "well to the noted in particular that the left" of the consensus positions in the estimate. Moreover, it thought the consensus positions commented, in passing, that impression that were not particularly persuasive. very much of the experience which jointly shared in the review exercise. also brought up the subject of NIE 11-3/8 and said that this represented a good example of bad intelligence performance. a briefing on the strategic force balance which had been presented by which, as far as was concerned, was "precisely the kind of bad material that was presented during the indicated that was not asked for Carter Administration." [Comment: its views on matters of ongoing NIE's, although they did in one case provide a memorandum indicating the substantive areas that they would like to see information developed, e.g., such as C3I. Intend to review NIE 11-3/8 very carefully. strongly recommend that it become a major point of discussion and consideration by the PFIAB as a whole.] $_{ t cited}$

Soviet Pipeline to Western Europe. doing a good job in this area. He mentioned that gone to outsiders and talked with private oil firms, eventually overcoming the innate bias in the direction of believing that a cut-off of U.S. supported technology could really impede the Soviet (The thing that makes this comment interesting pipeline development. see below.) One area of production which is that it is contradicted by

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question as to how explained the difference between supports the on the substance of this issue, if both were receiving the same intelligence insights, said that in general

was brought around to accepting the intelligence assessment which accepted, i.e., that U.S. support was not greatly consequen-[Comment: Soundings with OSD staff suggest this conclusion is not supportable; there is still a wide divergence in view on

the pipeline.]

Competing Analyses. During discussions with invited one of the senior analysts, to comment on duct. offered the view that the Intelligence Community's products were inadequate because they lean over backwards to avoid a policy orientation. As the discussion developed, it was also clear that both and, to some extent, that the Intelligence Community (or at least key personnel within the Community) remain essentially unchanged from earlier periods. These people, or at least a good number of them, had a bias which felt was contrary to the position of the current Accordingly, the intelligence material which was

developed was of rather poor quality. There was also some discussion Administration. contributions to Intelligence Community-wide The sum and substance of the discussion was that it was as to the nature of extremely difficult to provide commentary which sharply disagreed and diverged from the Community consensus. Occasionally, it was possible to do so (a few examples were cited) but it was clear that feels under considerable pressure not to overdo the process

It was even remarked that pressures by the controls sources of non-concurrence. (noting that being "cut off" if it Intelligence Community on seems not to have too much patience and dollars) could well result in with differences within the Intelligence Community and places a great deal of emphasis upon rapidly produced products. This makes it difficult for those who tend to non-concur since that obviously One other significant comment which personally viewed the as a whole as slows the process down. offered was that

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CONTROL STATES OFFE Approved For Release 2009/05/04 : CIA-RDP83M00914R000300050007-1 having "captured It was clear that what meant by that was, precisely what we had heard from others, namely that the is still largely peopled by those analysts who were turning out material under the Carter Administration supportive of arms control proposals like SALT II. felt apparently that these people were hardly objective in their analysis.

As a final point; call your attention to a 1980 Study, "The Impact of Intelligence on the Policy Review and Decision Process." am indebted to for digging this out.) One finds in this document a validation of the principal points contained above. For example: "In regard to crisis management . . . the impact of intelligence is strong." As to "policy management" the policy people "were consistently critical." In general, such intelligence "was irrelevant to the policy considerations at hand." As to feedback, it represented "the most serious and pervasive of gaps." Other cogent insights are contained in this study which came to our attention after we had completed our interviews. Its significance is two-fold:

- -- It supports our investigation without exception, and
- -- Nothing seems to have been done to correct previously identified problems.

Perhaps this latter comment can be a useful point of departure for PFIAB.

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Approved For Release 2009/05/04: CIA-RDP83M00914R000300050007-1 it Task Force had several meetings will. In addition, a significant responsible for producing intelligence products. In addition, a significant number of current senior policymakers were interviewed during March through June 1982, in order to gain their views on the utility of intelligence products. Included were:

- Mr. Lawrence Eagleburger, Under Secretary of State for Political **Affairs**
- Mr. James Buckley, Under Secretary of State for Security Assistance, Science and Technology
- Mr. Thomas Enders, Assistant Secretary of State for Inter-American Affairs
 - Mr. Robert Hormats, Assistant Secretary of State for Economic and Business Affairs
 - Mr. Peter Constable, Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs
 - Mr. Richard Burt, Director of the Bureau of Politico-Military Affairs, Department of State
 - Mr. Paul Wolfowitz, Director of the Policy Planning Staff, Department of State
 - Mr. Hugh Montgomery, Director of the Bureau of Intelligence and Research (INR), Department of State
 - Amb. Paul Nitze, U.S. Representative for Theater Nuclear Force Negotiations
 - Mr. Fred Ikle, Under Secretary of Defense for Policy
 - Gen. Richard Stilwell, USA (Ret), Deputy Under Secretary of Defense for Policy Review
 - Mr. Richard Perle, Assistant Secretary of Defense for International Security Policy
 - Mr. Richard DeLauer, Under Secretary of Defense for Research and Engineering
 - Mr. Andrew Marshall, Director of Net Assessment, Department of Defense
 - RADM E. A. Burkhalter, USN, Deputy Director, Defense Intelligence . Agency
 - Mr. Richard Pipes, National Security Council Staff (U)
- Additionally, in July 1982, a seminar discussion was held with the following former government officials:
 - Mr. Zbigniew Brzezinski, former Assistant to the President for National Security Affairs
 - Amb. U. Alexis Johnson, former Ambassador to Japan
 - Amb. Richard Helms, former DCI and Ambassador to Iran
 - Adm. George Anderson, USN (Ret.), former Chief of Naval Operations
 - Adm. Bobby Inman, USN (Ret.), former Deputy DCI
 - Adm. Bobby Inman, USN (Rec.), Language (U)
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